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Counsel for Debtor and Debtor-in-Possession,
Terry Lee Fleming, Sr.

**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
RIVERSIDE DIVISION**

In re:

Case No. 6:17-bk-19513-MW

TERRY LEE FLEMING, SR.,

Chapter 11

Debtor and Debtor-in-Possession.

**STIPULATION BETWEEN DEBTOR
AND HAVASU LAKESHORE
INVESTMENTS, LLC REGARDING
RETURN OF PRE-PETITION SECURITY
DEPOSIT**

[No Hearing Required]

This stipulation (“Stipulation”) is entered into by and among Terry Lee Fleming, Sr. (“Debtor”), and Havasu Lakeshore Investments, LLC, by and through their counsel of record.

I.

RECITALS

A. Debtor, in his capacity as Trustee of the Terry Lee Fleming Family Trust Dated January 17, 1992 (the “Trust”), is the owner of a rental property located at 44808 Del Dios Circle, Indian Wells, CA 92210 (the “Del Dios Property”).

B. Prior to filing the petition commencing this chapter 11 case, Debtor had leased the Del Dios Property to Nick Blodgett and Marta Ward (the “Pre-Petition Tenants”). The Pre-

1 Petition Tenants paid a security deposit for the Del Dios Property in the amount of \$3,000.00. The
2 security deposit was listed on Debtor's Schedules of Assets and Liabilities. The Debtor also
3 scheduled the potential liability to the Pre-Petition Tenants for the security deposit in the event the
4 lease expired or was terminated.

5 C. In October 2018, pursuant to the terms of Addendum Two to the Del Dios Property
6 rental agreement, the Pre-Petition Tenants notified Debtor of their intent to vacate the Del Dios
7 Property and terminate their lease on November 1, 2018.

8 D. As a result of the Pre-Petition Tenants' lease termination, Debtor subsequently
9 entered into a new lease agreement for the Del Dios Property with Jessie Van Lieshout ("Post-
10 Petition Tenant"). The Post-Petition Tenant provided Debtor with a security deposit in the amount
11 of \$3,500.00.

12 E. Accordingly, the \$3,500 security deposit from the Post-Petition Tenant not only
13 replaces but exceeds the original \$3,000 security deposit from the Pre-Petition Tenants.

14 F. Debtor desires to return the \$3,000 security deposit to the Pre-Petition Tenants, as
15 the Del Dios Property was returned to Debtor with no damage and Debtor was able to successfully
16 lease the Del Dios Property following the Pre-Petition Tenants' lease termination. The return of
17 the Pre-Petition Tenants' security deposit will not affect Debtor's estate, as the amount collected
18 from the Post-Petition Tenant exceeds the amount of the Pre-Petition Tenants' security deposit.

19 G. The below signed parties each agree that the Pre-Petition Tenants' \$3,000 security
20 deposit should be refunded by Debtor upon entry of an Order granting the Stipulation.

21 H. The Office of the United States Trustee has been contacted regarding the
22 Stipulation and has informed Debtor's counsel that it takes no position with respect to the
23 Stipulation.

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1 II.
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STIPULATION

3 **NOW THEREFORE**, the below-signed interested parties agree and stipulate as follows:

4 1. That the Pre-Petition Tenants' security deposit in the amount of \$3,000.00 should be
5 returned to Nick Blodgett and Marta Ward upon entry of the Order granting the Stipulation.

6 Dated: February 26, 2019

BOSLEY TILL LLP

7 By: /s/ James E. Till

8 James E. Till

9 Counsel for Debtor and Debtor-in-Possession.

10 Terry Lee Fleming, Sr.

11 Dated: February 27, 2019

HAVASU LAKESHORE INVESTMENTS, LLC

12 By: 

13 Frederick Reich

14 Counsel for Havasu Lakeshore Investments, LLC

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
120 Newport Center Dr., Newport Beach, CA 92660

A true and correct copy of the foregoing document entitled (*specify*): **STIPULATION BETWEEN DEBTOR AND HAVASU LAKESHORE INVESTMENTS, LLC REGARDING RETURN OF PRE-PETITION SECURITY DEPOSIT**, will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) February 27, 2019, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

US Trustee's Office: ustpregion16.rs.ecf@usdoj.gov; abram.s.feuerstein@usdoj.gov; Everett.l.green@usdoj.gov
Attorneys for Debtor: James E. Till: jtill@btntlaw.com; maraki@btntlaw.com
Attorneys for Havasu Lakeshore Investments: Martin A. Eliopoulos: elio@higgslaw.com; kimbled@higgslaw.com
Attorneys for Terry Lee Fleming, Jr. and Havasu Landing LLC: Michael B. Reynolds: mreynolds@swlaw.com; kcollins@swlaw.com
Attorneys for Riverside County Treasurer-Tax Collector: Ronak N. Patel: rpatel@rivco.org; dresparza@rivco.org; mdominguez@rivco.org

Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) February 27, 2019, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Debtor: Terry Lee Fleming, Sr., 78980 Carmel Circle, La Quinta, CA 92253

Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) February 27, 2019, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

The Honorable Mark S. Wallace
United States Bankruptcy Court
411 West Fourth Street, Suite 6135
Santa Ana, CA 92701-4593

Via Personal Delivery

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

February 27, 2019
Date

Martha Araki
Printed Name

/s/ Martha Araki
Signature